

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WATER DIVISION
Water Advisory Branch

RESOLUTION NO. W-4291
August 23, 2001

R E S O L U T I O N

**(RES. W-4291), EAST PASADENA WATER COMPANY, (EPWC). ORDER
AUTHORIZING AN OFFSET RATE INCREASE OF \$44,635 OR 3.2% IN
ADDITIONAL REVENUE DUE TO INCREASED PURCHASED POWER
COSTS.**

SUMMARY

By Advice Letter No. 57, filed on July 13, 2001, EPWC seeks revision of its tariff Schedule No. 1, General Metered Service, to provide an increase in revenues of \$44,635 or 3.2%. This increase is a result of increased costs for purchased power since EPWC's present rates became effective. The offset rate increase will not result in a rate of return greater than the last authorized for EPWC.

BACKGROUND

EPWC requests authority under Section VI of General Order 96-A and Section 454 of the Public Utilities Code to offset \$44,635 increase in purchased power costs. The purchased power increase became effective on June 1, 2001, pursuant to Commission Decision (D.) 01-05-064.

EPWC serves approximately 2,760 residential metered customers in an unincorporated area of Los Angeles County, east of the City of Pasadena and to parts of the cities of Arcadia, Temple City and San Gabriel. The present rates of EPWC became effective on December 20, 2000, pursuant to Commission Resolution W-4239, which authorized a general rate increase of \$245,843 or 21.38%.

NOTICE AND PROTESTS

Notice of the proposed rate increase was published in the Pasadena Star, a newspaper of general circulation, on July 20, 2001, as evidenced by proof of publication provided to the Water Division by the utility. There were no protests concerning the proposed offset increase.

DISCUSSION

Effective June 3, 2001, pursuant to D.01-05-064, SCE rates were increased for summer consumption and for winter consumption. These SCE rate increases have resulted in a \$44,635 increase in purchased power costs for EPWC. EPWC is not presently earning more than its last authorized rate of return.

The increases in SCE's purchased power costs are directly related to water consumption and therefore shall be applied to quantity rates. In order to recover the higher costs, EPWC, will increase its quantity charge by \$0.057/Ccf (One Ccf is equal to one hundred cubic feet). The bill for an average residential customer using 22 Ccf of water per month with a ¾-inch meter will increase by \$1.25 or 3.3% from \$37.78 to \$39.03.

Service is satisfactory. There are no Commission orders requiring system improvements nor are there any service problems requiring corrective action.

FINDINGS

The Commission finds, after investigation by the Water Advisory Branch, that the changes hereby authorized are justified and the resulting rates are just and reasonable.

THEREFORE IT IS ORDERED THAT:

1. East Pasadena Water Company is authorized, five days after the effective date herein, to make effective revised Schedule No. 1, General Metered Service, attached to Advice Letter 57, and to cancel the corresponding presently effective rate schedule.
2. East Pasadena Water Company is directed to maintain a balancing account as required by Public Utilities Code Section 792.5.

3. This resolution is effective today.

I hereby certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on August 23, 2001; the following Commissioners approved it:

WESLEY M. FRANKLIN
Executive Director

LORETTA M. LYNCH
President
HENRY M. DUQUE
RICHARD A. BILAS
CARL W. WOOD
GEOFFREY F. BROWN
Commissioners